

TENNESSEE REGULATORY AUTHORITY

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OFFICE OF THE
EXECUTIVE SECRETARY

460 James Robertson Parkway
Nashville, Tennessee 37243-0505

Melvin Malone, Chairman
Lynn Greer, Director
Sara Kyle, Director



To: Melvin J. Malone, Chairman
H. Lynn Greer, Director
Sara Kyle, Director

From: Richard Collier, General Counsel *RC*

Re: **Docket No. 98 - 00156**
Application of Tengasco Pipeline Corporation
Report Concerning Telephone Conference with the Parties
on April 13, 1999

Date: April 14, 1999

At the April 6, 1999, Authority Conference, during consideration of Tengasco Pipeline Corporation's request to defer action, Chairman Malone asked the parties if they would work together to craft some "status quo" language to be included in an agreement to defer this matter. The parties agreed to meet together in attempt to work out acceptable language. The parties were directed, in the event of such an agreement, to file a document to that effect with the Authority not later than April 13, 1999. During that Conference, I agreed to act in the role of a facilitator, if called upon by the parties, to assist them in their efforts to reach an agreement.

On April 8, 1999, William Bovender, counsel for Hawkins and Claiborne County Utility Districts, filed a letter with the Authority proposing several conditions for the requested deferral. On April 12, 1999, I received a telephone call from Billye Sanders, counsel for Tengasco, informing me that she had been attempting to contact opposing

counsel by telephone, without success, to discuss those conditions. At 4:35 p.m. on April 13, 1999, I received a telephone call from Ms. Sanders and was asked to participate in a conference call that had been ongoing between counsel for all parties. Participating in the conference call were Billye Sanders for Tensasco, Chuck Welch for the Utility Districts and T. Arthur Scott for Hawkins and Claiborne County Utility Districts. The parties informed me that they had been discussing the conditions of a deferral for nearly one hour without any resolution. The parties continued to raise concerns and address issues regarding the deferral after I was patched into the conference call. The discussion was centered around the length of time of a possible deferral and the status quo language as to the activities of Tensasco during such a deferral. After an additional hour of discussion the parties were no closer to negotiating mutually agreeable terms and conditions of a deferral. The telephone conference concluded at approximately 5:30 p.m. As a result of the inability of the parties to come to agreement as to the conditions of the requested deferral, there was no joint filing by the parties on April 13, 1999. Ms. Sanders informed me and opposing counsel that she would be submitting a letter expressing her client's position regarding the deferral.

I am filing the original of this memorandum in the docket in this proceeding, distributing copies to the Directors and serving additional copies on all counsel of record in this case.

cc: K. David Waddell, Executive Secretary
D. Billye Sanders, Esq.
William C. Bovender, Esq.
Charles B. Welch, Jr., Esq.